



June 13, 2017

The Honorable Steve Chabot  
Chairman  
House Small Business Committee  
2361 Rayburn House Office Building  
Washington, DC 20515

The Honorable Nydia Velazquez  
Ranking Member  
House Small Business Committee  
2069 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Chabot and Ranking Member Velazquez:

On behalf of the University City Science Center, the nation's oldest and largest urban research park, I write to express our strong support for an amendment being offered by Representatives Brad Schneider and Brian Fitzpatrick to H.R. 2763, the Small Business Innovation Research and Small Business Technology Transfer Improvements Act of 2017.

As you know, the University City Science Center is dynamic hub for innovation, entrepreneurship and technology commercialization. Our 31 nonprofit shareholders include many of the leading colleges, universities, hospitals and research institutions in Pennsylvania, New Jersey and Delaware.

For more than 50 years, we have helped scientists, entrepreneurs, startups, and growing and established companies throughout the region as they move their technologies into the marketplace, where they can benefit the region and the world. The Small Business Innovation Research (SBIR) program is a key federal investment for these researchers and entrepreneurs and through our Phase 1 Ventures program we provide guidance to researchers who are interested in applying for SBIR Phase 1 awards.

With over 22 percent of America's top innovations stemming from companies that have received SBIR grants, the SBIR program is vital to our nation's competitiveness. That said, the rate of startup creation in the United States has fallen to 12<sup>th</sup> among developed nations and is near its lowest in 30 years. Commercialization intermediaries, entities that link academia, business and capital, have become an important asset to the startup community and provide researchers with the necessary business education and market knowledge to transition research into successful entrepreneurial endeavors.

The Science Center enthusiastically applauds Congressmen Schneider and Fitzpatrick for recognizing the importance of supporting innovators through "the valley of death," the time-period referred to after a technology is conceived but no funding is available to determine market potential. The Schneider-Fitzpatrick amendment allows SBIR grantees to use a greater amount of their award for important, and sometimes costly, commercialization services such as market viability studies, prototype development and business and manufacturing plans, if they choose to use it in that way.

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In addition to providing greater flexibility in the use of the award to meet the needs of the specific SBIR applicant, the amendment codifies existing law to ensure that SBIR awardees can use their award for commercialization services at an intermediary in their local region. Often awardees have preexisting relationships with incubators in their hometown who understand that local assets often have knowledge of venture and angel capital specific to the local market.

In sum, the University City Science Center is pleased to support the Schneider-Fitzpatrick initiative and believes that this improvement will allow an already successful federal program to become more efficient and impactful for researchers and entrepreneurs across the nation.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen S. Tang". The signature is fluid and cursive, with the first name "Stephen" and last name "Tang" being the most prominent parts.

Stephen S. Tang, Ph.D.  
President & CEO